



In Reply Refer To:
OEP/DG2E/Gas Branch 1
Long Beach LNG Import Project
FERC Docket No. CP04-58-000, et al.
POLB Application No. HDP 03-079
SCH No. 2003091130

TO THE PARTY ADDRESSED:

The environmental staffs of the Federal Energy Regulatory Commission (FERC or Commission) and the Port of Long Beach (POLB) (Agency Staffs) have prepared this draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) on the liquefied natural gas (LNG) import terminal and natural gas pipeline facilities proposed by Sound Energy Solutions (SES) in the above-referenced dockets. This draft EIS/EIR was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). A draft General Conformity Determination was also prepared by the FERC to assess the potential air quality impacts associated with construction and operation of the proposed project and is included as Appendix E of this draft EIS/EIR.

This draft EIS/EIR includes an Application Summary Report that was prepared by the POLB pursuant to the requirements of the CEQA, the certified Port Master Plan (PMP), and the California Coastal Act for the proposed project. Based on data contained in the draft EIS/EIR and Application Summary Report, the proposed project is in conformance with the stated policies of the PMP. An amendment to the PMP would be necessary, however, to accommodate the LNG facility because LNG is not an expressly identified "hazardous cargo" as permitted within Terminal Island Planning District 4. The POLB has submitted a draft PMP amendment (draft PMP Amendment No. 20) to the California Coastal Commission in conjunction with submittal of this draft EIS/EIR.

The U.S. Army Corps of Engineers (ACOE) is participating as a cooperating agency in the preparation of the EIS/EIR because the project would require permits pursuant to section 404 of the Clean Water Act [33 United States Code (USC) 1344] and section 10 of the Rivers and Harbors Act (33 USC 403). The ACOE must comply with the requirements of NEPA before issuing these permits. The ACOE would adopt the EIS/EIR per Title 40 Code of Federal Regulations (CFR) Part 1506.3 if, after an independent review of the document, it concludes that its comments and suggestions have been satisfied.

The U.S. Coast Guard (Coast Guard) within the U.S. Department of Homeland Security has elected to act as a cooperating agency in the preparation of the EIS/EIR because it exercises regulatory authority over LNG facilities that affect the safety and security of port areas and navigable waterways under Executive Order 10173; the Magnuson Act (50 USC section 191); the Ports and Waterways Safety Act of 1972, as amended (33 USC section 1221, et seq.); and the Maritime Transportation Security Act of 2002 (46 USC section 701). The Coast Guard also has authority for LNG facility security plan review, approval and compliance verification as provided in Title 33 CFR Part 105, and siting as it pertains to the management of vessel traffic in and around the LNG facility. As required by its regulations, the Coast Guard is responsible for issuing a Letter of Recommendation (LOR) as to the suitability of the waterway for LNG marine traffic. The Coast Guard plans to adopt the EIS/EIR if it adequately covers the impacts associated with issuance of the LOR.

SES' proposed facilities would provide up to 1 billion standard cubic feet per day of natural gas to southern California, supply up to 150,000 gallons per day of LNG vehicle fuel, and provide storage of up to 320,000 cubic meters of imported LNG to reduce fluctuations in the local natural gas supply. In order to provide LNG import, storage, and pipeline transportation services, SES requests authorization to construct, install, and operate an LNG import terminal and natural gas pipeline facilities.

The draft EIS/EIR addresses the potential environmental effects of the construction and operation of the following facilities:

- a 1,100-foot-long LNG ship berth and unloading facility with unloading arms, mooring and breasting dolphins, and a fendering system that would be capable of unloading one ship at a time;
- two LNG storage tanks, each with a gross volume of 160,000 cubic meters (1,006,000 barrels) surrounded by a security barrier wall;
- 20 electric-powered booster pumps;
- four shell and tube vaporizers using a primary, closed-loop water system;
- three boil-off gas compressors, a condensing system, a natural gas liquids recovery system, and an export ethane (C₂) heater;
- an LNG trailer truck loading facility with a small LNG storage tank;
- a natural gas meter station and odorization system;
- utilities, buildings, and service facilities;
- associated hazard detection, control, and prevention systems; site security facilities; cryogenic piping; and insulation, electrical, and instrumentation systems;
- a 2.3-mile-long, 36-inch-diameter pipeline and associated aboveground facilities to transport natural gas from the LNG terminal to the existing local distribution system; and
- a 4.6-mile-long, 10-inch-diameter pipeline and associated aboveground facilities to transport vaporized C₂ from the LNG terminal to an existing refinery.

Comment Procedures and Public Meetings

Any person wishing to comment on the draft EIS/EIR, draft General Conformity Determination, and/or draft PMP Amendment No. 20 may do so. **To expedite the Agency Staffs' receipt and consideration of your comments, electronic submission of comments is strongly encouraged.** See Title 18 CFR 385.2001(a)(1)(iii) and the instructions on the FERC's Internet website (www.ferc.gov) under the eFiling link and the link to the User's Guide. Before you can submit comments, you will need to create a free account by clicking on "Sign-up" under "New User." You will be asked to select the type of submission you are making. This type of submission is considered a "Comment on Filing." **Comments submitted electronically must be submitted by December 8, 2005.**

If you wish to mail comments on the draft EIS/EIR, draft General Conformity Determination, and/or draft PMP Amendment No. 20, please **mail your comments so that they will be received in Washington, DC on or before December 8, 2005** and carefully follow these instructions:

Send **an original and two copies** of your letter to:

- Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426;
- Reference **FERC Docket No. CP04-58-000, et al.** and **POLB Application No. HDP 03-079** on the original and both copies;
- Label one copy of your comments for the attention of the Gas Branch 1, DG2E;
- Send an additional copy of your letter to:

Robert Kanter, Ph.D.
Planning Division
925 Harbor Plaza
Port of Long Beach
Long Beach, CA 90802.

In lieu of or in addition to sending written comments, we invite you to attend the joint public comment meeting the Agency Staffs will conduct in the project area to receive comments on the draft EIS/EIR, draft General Conformity Determination, and draft PMP Amendment No. 20. The joint meeting is scheduled as follows:

Monday, November 14, 2005, 6:00 PM (PST)

City of Long Beach
City Council Chambers
333 W. Ocean Boulevard
Long Beach, CA 90802
(562) 570-6555

The joint meeting will be posted on the FERC's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx>. Interested groups and individuals are encouraged to attend and present oral comments on the draft EIS/EIR, draft General Conformity Determination, and/or draft PMP Amendment No. 20. A transcript of the meeting will be prepared.

In accordance with the POLB's new protocols for preparing environmental documents, the POLB will hold three additional public comment meetings for interested groups and individuals to attend and present oral comments on the draft EIS/EIR and/or draft PMP Amendment No. 20. Transcripts of these meetings will be prepared. The additional meetings are scheduled as follows:

| <u>Date</u> | <u>Location</u> |
|--|---|
| Tuesday, November 15, 2005, 6:00 PM (PST) | David Starr Jordan High School 6550 Atlantic Avenue Long Beach, CA 90805 (562) 423-1471 |
| Wednesday, November 30, 2005, 6:00 PM (PST) | Robert A. Millikan High School 2800 Snowden Avenue Long Beach, CA 90815 (562) 425-7441 |
| Thursday, December 1, 2005, 6:00 PM (PST) | Juan Rodriguez Cabrillo High School 2001 Santa Fe Avenue Long Beach, CA 90810 (562) 951-7700 |

After the comments from the meetings are reviewed, any significant new issues are investigated, and modifications are made to the draft EIS/EIR and draft General Conformity Determination, a final EIS/EIR, including a final General Conformity Determination, will be published and distributed by the Agency Staffs. The final EIS/EIR will contain the Agency Staffs' responses to timely comments received on the draft EIS/EIR and draft General Conformity Determination.

In addition, the POLB will consider comments on draft PMP Amendment No. 20 and prepare a final PMP amendment. The final PMP amendment will be presented to the Board of Harbor Commissioners for consideration of adoption when the final EIS/EIR is presented for certification. If the Board of Harbor Commissioners adopts the PMP amendment and certifies the final EIS/EIR, the PMP amendment will be submitted to the California Coastal Commission for review and certification. The POLB draft PMP Amendment No. 20 proposes to allow for the development of an LNG import terminal at Berth 126 on Pier T in the Terminal Island District (Planning District 4) of the POLB. The proposed project, if approved, is appealable to the California Coastal Commission. Copies of draft PMP Amendment No. 20 and the draft EIS/EIR are available to the public at the Harbor Department Administration Building or requests may be made to the Harbor Department, Planning Division at (562) 590-4158.

Comments on the draft EIS/EIR, draft General Conformity Determination, and draft PMP Amendment No. 20 will be considered by the FERC and the POLB but will not serve to make the commentor a party to the proceeding. Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the FERC's Rules of Practice and Procedures (Title 18 CFR Part 385.214).

Anyone may intervene in this proceeding based on this draft EIS/EIR. You must file your request to intervene as specified above.¹ **You do not need intervenor status to have your comments considered and responded to.**

¹ Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.

The draft EIS/EIR, including the draft General Conformity Determination, has been placed in the public files of the FERC and the POLB and is available for public inspection at:

Federal Energy Regulatory Commission
Public Reference Room
888 First Street, NE, Room 2A
Washington, DC 20426
(202) 502-8371

and

Port of Long Beach
Planning Division
925 Harbor Plaza
Long Beach, CA 90802
(562) 590-4160

The draft EIS/EIR, including the draft General Conformity Determination, is also available for viewing on the FERC Internet website (www.ferc.gov) using the eLibrary link (see instructions for using eLibrary below).

A limited number of copies are available from the FERC's Public Reference Room and as .pdf files on compact disk (CD) from the POLB as identified above. Copies of draft PMP Amendment No. 20 are available from the POLB as identified above. In addition, copies of the draft EIS/EIR, including the draft General Conformity Determination, have been mailed to federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; affected landowners; POLB tenants; intervenors in the FERC's proceeding; local libraries and newspapers; and other interested parties.

To reduce printing and mailing costs for the final EIS/EIR, the Agency Staffs will be issuing that document in both CD and hard-copy formats. In a separate mailing, the parties on the current mailing list for the draft EIS/EIR will be sent a postcard providing an opportunity for them to select which format of the final EIS/EIR they wish to receive. The FERC and the POLB are strongly encouraging the use of the CD format in their publication of large documents. If you wish to receive a paper copy of the final EIS/EIR instead of a CD, you must return the postcard indicating that choice.

Additional information about the project is available from the FERC's Office of External Affairs, at **1-866-208-FERC** or on the FERC Internet website (www.ferc.gov) using the eLibrary link. Click on the eLibrary link, click on "General Search," and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the FERC, such as orders, notices, and rulemakings.

In addition, the FERC now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to the eSubscription link on the FERC Internet website.

Information about the project is also available from the POLB by calling the POLB Environmental Planning Division at (562) 590-4160.

Magalie R. Salas
Secretary
Federal Energy Regulatory Commission

Robert Kanter, Ph.D.
Director of Planning
Port of Long Beach